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DVET

Vietnam TVET Bulletin

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● Highlights ●

● Policies ●

MoLISA Detects Financial Problems at DVET

The MoLISA has announced the results of inspections into financial management of the DVET, with many detected problems. The DVET failed to issue financial conclusions of projects. ODA project management board of the DVET issued lackluster labor contracts. The DVET paid wages below the rules. For projects in 2019, the DVET was assigned VND35 billion, but disbursed only VND13.3 billion. At TVET accreditation department, the DVET was assigned VND10 billion, but disbursed only VND3.5 billion. For training of transferred-from-Australia TVET courses, there were different figures about payments for learners, leading to weak management. ([Thanh Tra](#) Aug 13)

HCMC Witnesses New Exodus of Migrant Workers

On August 15, Ho Chi Minh City saw a fresh exodus of migrant workers from the city to their hometowns, as the city decided to extend a lockdown by one more month. Local authorities tried to block the flow of people at checkpoints and called on them to stay in the city. Some explained that they want to go home because they have been jobless for months and in difficulty due to lack of money and fears of COVID-19 deaths. ([PLO](#), [Thanh Nien](#), [VnExpress](#), [NLD](#), [truyenhinhnghean.vn](#) Aug 15)

COVID-19 May Negatively Affect 22M-40M Laborers in Vietnam in Q3/2021

In the third quarter (Q3) of 2021, COVID-19 pandemic may negatively impact 22 million-40 million laborers in Vietnam per three scenarios, according to the Department of Employment, under the MoLISA. In the best scenario, the pandemic is controlled in August, localities end social distancing in the first half of August, and Hanoi and Ho Chi Minh City basically complete vaccination for people at the age of 18 or above. The pandemic will hurt 22 million laborers, mostly the ones inside locked down areas or in sectors of manufacturing, tourism, accommodation, retails, arts, and others. About 500,000-600,000 people will lose jobs, five million people will have reduced jobs, however, there will be recruitment for 500,000 jobs in recovering sectors. In the normal scenario, the pandemic is not controlled, becomes worse in southern areas and sees an upward trend in northern and central areas. The pandemic will negatively impact 30 million laborers, mostly in sectors of manufacturing and processing, transport, tourism, accommodation, wholesale, retails, and others. In the worst scenario, vaccination campaign is lackluster due to the shortage of vaccine. The pandemic will hurt 40 million laborers in all sectors. ([Dang Cong San](#), [VnEconomy](#) Aug 12)

4M Vietnamese Workers on Furlough due to COVID-19: Reports



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The rampant COVID-19 pandemic forced nearly 4 million workers in 54 Vietnamese localities to be on furlough as of August 7, accounting for 20% of the total laborers in industrial parks and export processing zones. The coronavirus fallout has also caused 10.2% of firms to suspend operations. The service sector has been hardest hit with 30.6% of workers affected by the pandemic, followed by industry and construction with 24.6% and the agro-forestry-fisheries segments with 8.9%. The pandemic has by far brought 90% of tourism businesses to a standstill, and the remaining 10% have been in a lackluster performance. 90% of inbound and outbound travel employees have been laid off with unpaid leave or had to change their jobs. Regarding the seafood and fisheries processing industry, 70% of enterprises have shut down temporarily as they failed to implement factory sleepovers. As for the textile and garment sector, the COVID-19 flare-up has triggered the closure of 35% of companies. Over 40,000 workers of the southern branch of Vietnam National Textile and Garment Group (Vinatex; UPCoM: VGT) are working in social distancing conditions. A series of COVID-19 impacts have crippled the southern dynamic labor market, sparking a mass exodus of immigrant workers from economic hubs to their hometowns, the Department of Employment said. It is estimated that between 60% and 70% of homecoming laborers could return to work after COVID-19 is controlled. ([Nhan Dan](#) Aug 12)

Vietnam's Ministries to Adjust "3 On The Spot" Measures to Ensure Production

The Ministry of Industry and Trade (MoIT) will cooperate with the Ministry of Health (MoH) to adjust the "3 on the spot" measures to ensure the production and the COVID-19 control in the southern region, Minister of Industry and Trade Do Thang Hai said at the government's regular meeting on August 11. Mr. Hai said that such measures, which require laborers to work, eat and sleep at the company, had been applied successfully in the northern provinces of Bac Ninh and Bac Giang. However, the implementation in the southern region has recorded some obstacles such as high costs, disruption of supply chains, and workers' homesick. ([VietnamNet](#), [Tuoi Tre](#), [Tuoi Tre](#), [Thuong Truong](#), [ncov.vn](#), [nhantriviet.com](#), [TBTCVN](#) Aug 11)

COVID-19 Led to Increase of Unemployment in Vietnam in Jul

COVID-19 pandemic has led to more unemployment, lost jobs, reduced jobs in Vietnam in July and in the first seven months of 2021, according to the Department of Employment, under the MoLISA. In the second quarter (Q2) of 2021, Vietnam's workforce was 51.1 million, up by 1.7 million y/y but down 304,000 versus Q2/2019. If there had been no pandemic, the figure could have been 1.7 million higher in Q2/2021. In July 2021, social distancing in 19 southern localities, Hanoi, and others reduced the workforce by one million. The number of employed people was 49.9 million, up by 1.8 million versus Q2/2020 but down by 500,000 versus Q2/2019. In July 2021, the workforce reduced by one million. The underemployment rate was 2.6% (1.1 million people) in Q2/2021, ranging from 2.8% in urban areas and 2.49% in rural areas. The higher rate of urban areas is against the trend before the pandemic. The unemployment rate was 2.62% (1.2 million people) in Q2. The rate of unfulfilled laborers was 5.2% in Q2, because of break due to social distancing and work-from-home method. In Q2, 12.8 million people had their jobs affected, such as lost jobs, reduced working hours, reduce incomes, and others. The impacts were worse in urban areas than those in rural areas. From June 2021, due



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to social distancing, 9.94% of firms with four million workers (20% of their workforce) had to suspend operations. The figures included 20% of firms in southern areas with three million laborers (33.4% of their workforce). ([VOV](#) Aug 11)

Vietnam to Push TVET Recruitment, Improve Training Method

The DVET, under the MoLISA, has issued Document 1796 on improving TVET recruitment and learning methods, amid complicated COVID-19 pandemic. The DVET asked local units to utilize mobile apps, website, and radio and television channels in pushing recruitment. The DVET also suggested further recruitment of secondary school graduates and people with high school completion certificates. For localities with lesser COVID-19 impacts, the DVET asked units to also utilize direct recruitments. Regarding learning amid social distancing, the DVET asked units to update the learning schedule suitably and maximize learning time at schools. In cases that learning at schools is unlikely, TVET schools should utilize online learning for theoretical lessons and learning at schools for practical lessons. The DVET also urged TVET schools to cooperate with relevant agencies to push vaccinations for learners and teachers. ([Dan Sinh](#) Aug 17)

Vietnam Social Insurance Covers 16M People as of end Jul 2021

Vietnam had 16 million people joining social insurance as of end-July, representing 32.08% of the workforce and including 1.2 million people covered by voluntary social insurance. The number of people covered by unemployment insurance was 13 million. The number of people with healthcare insurance was 85 million, or 87.17% of the population. As of end-July, the VSS collected VND224.53 trillion of premiums of all kinds of insurance, or 56.18% of the plan. The premium arrears were VND21.36 trillion, or 5.34% of the collection target. In July, the VSS provided unemployment insurance indemnification to 80,021 people, including 934 with TVET. ([BHXH](#) Aug 12)

Labor Unions in Vietnam Spend VND1.2T on Helping Laborers Amid COVID-19

Labor unions in Vietnam have so far spent VND1.22 trillion (\$52.44 million) on helping one million laborers, who were affected by COVID-19 pandemic, the Vietnam General Confederation of Labor (VGCL) informed. The figure included VND494.9 billion for anti-disease tasks, VND257.46 billion for vaccine, and VND227.9 billion for helping laborers. Besides, per the Government's Resolution 68/NQ-CP and the Prime Minister's Decision 23/QĐ-TTg, 472,790 laborers received VND650.9 billion and 138,974 firms had their payments for occupational disease and accident fund reduced by VND873.9 billion. The VGCL reported that 1.3 million laborers were affected (lost jobs, had reduced working hours, or paused jobs) by COVID-19 pandemic. Vietnam currently has 10,335 firms with 930,000 laborers following factory sleepover model; and 1,013 firms with 84,034 operating inside lockdown areas. So far 1.07 million laborers were vaccinated. There have been 29,910 workers as COVID-19 patients (F0), 99,884 workers as people with close contact to F0 (F1), 220,344 workers as F2, and 390,328 workers inside lockdown areas. ([Lao Dong](#) Aug 17)



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● Business Sector and Labour Market ●

Foreign Cooperation

DVET Selecting Bidders for Equipment

In the third quarter of 2021, the DVET is scheduled to select bidders for packages of “Skills and Knowledge for Inclusive Economic Growth Project.” The package, worth VND2.14 trillion totally, include sub-packages of mechanical technology and machine manufacturing equipment (TB02), welding, cutting metal and mechanical equipment (TB01), and fisheries and biological technology equipment (TB04), worth VND108 billion, VND85 billion, VND147 billion, respectively. ([Dau Thau](#) Aug 16)

U.S. Top Textile Firms Ask President to Accelerate Vaccine Donations to Vietnam

90 CEOs of the U.S. leading apparel and footwear firms have proposed President Joe Biden accelerate donation of COVID-19 vaccines to Vietnam as the Southeast Asian nation faces its most serious outbreak yet. The CEOs of companies like Adidas, Coach, Gap, Hanesbrands, Nike, VF, and Under Amour have emphasized that Vietnam is an important economic and supply chain partner of the United States. Therefore, the U.S.’s manufacturing sector with three million workers directly and greatly depends on the health of Vietnam’s industry. ([Tuoi Tre](#), [Tuoi Tre](#), [NLD](#), [doanhnghiephoinhap.vn](#), [CafeBiz](#) Aug 14)

70% of Vietnamese Workers in Malaysia Jobless, Underemployed due to COVID-19

The COVID-19 pandemic has made between 60% and 70% of Vietnamese workers in Malaysia face unemployment and underemployment. The Department of Overseas Labor Management, under the Ministry of Labor, War Invalids, and Social Affairs (MoLISA), hence asked companies that sent Vietnamese laborers to Malaysia to offer support to them. ([Dang Cong San](#), [Thanh Tra](#) Aug 12)

Domestic News

HCMC Requested to Waive Factory Sleepovers for Intel, Datalogics

The HEPZA Businesses Association (HBA) in Ho Chi Minh City has requested the municipal authority’s permission for Intel Products Vietnam (IPV) and Datalogics Vietnam to stop factory sleepovers and adopt a renovated model for production amid the pandemic. After over one month of factory sleepover implementation, many workers in HCMC said that they no longer like to stay at factories or hotels. In addition, making room for laborers to eat, sleep, and work at plants also dramatically costs firms these days. Each enterprise would pilot taking 30 employees to the lodgings- called “green zone”, and laborers could be required to install COVID-19 tracking app Bluezone. Currently, half of factories located at 17 processing and industrial parks



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in HCMC are applying factory sleepovers with a total of 51,000 workers. ([Zing News](#), [NLD](#) Aug 15)

COVID-19 Forces 89% of Firms in Can Tho City to Halt Operations

As of August 11, 974 in 1,090 enterprises, or 89.36%, in Can Tho city came to a screeching halt with 60,704 workers on furlough as a result of COVID-19 fallout. Of these, there were 135 companies located in processing and industrial zones, accounting for 79.41% of total industrial parks-based businesses, and 839 establishments outside processing and industrial zones. Out of 38 firms outside processing and industrial zones with more than 100 workers each, 23 enterprises with 9,106 laborers have suspended operations. ([Tin Tuc](#) Aug 12)

Vietnam So Far Delivers 2nd COVID-19 Relief Package to 13M People

Vietnam has so far delivered the 2nd COVID-19 relief package (for employers and employees) of VND26 trillion (\$1.12 billion), per the Government's Resolution 68/NQ-CP and the Prime Minister's Decision 23/2021/QĐ-TTg, to 13 million people. The delivered support has reached VND6 trillion, said Deputy Minister of Labor, War Invalids, and Social Affairs Le Van Thanh. The delivered support included VND4.4 trillion relating to insurance for 12 million people, VND1.3 trillion of cash for one million people, and VND170 billion for employers to pay wages to employees. Mr. Thanh said that the relief package has problems in running sub-packages of training for employees, digitalization of firms, and others, due to social distancing and complicated administrative procedures. ([Tien Phong](#), [Lao Dong](#), [VTV](#), [MoLISA](#) Aug 11)

100,000 Laborers Themselves Leave COVID-19 Hotspots So Far

Vietnam has so far recorded 100,000 laborers leaving COVID-19 hotspots for their hometowns themselves, overloading quarantine facilities in their arrival destinations and leading to labor shortage in their departure localities. Provincial and municipal Departments Labor, War Invalids, and Social Affairs (DoLISAs) added that 50,000 people have registered to leave for their hometowns in organized trips. Besides, they have already organized 50,000 laborers leaving. The trend is moving away from localities with many industrial parks, such as southern Ho Chi Minh City and provinces of Binh Duong, Dong Nai, and Long An, to central and Central Highlands localities. The Department of Employment, under the Ministry of Labor, War Invalids, and Social Affairs (MoLISA), warned that this movement would lead to labor shortage during and after the pandemic, especially in labor-intensive jobs of footwear, apparel, electronics assembly. ([VOV](#), [Phap Luat](#) Aug 12)

HCMC Cuts \$45.7M in Payment of Labor Accident Insurance Premiums

Ho Chi Minh City has cut by VND1.06 trillion (\$45.7 million) in the payment of insurance premiums for occupational accident and disease, in support of 101,400 firms and units citywide with over 2.3 million workers during the first phase of the city's aid package, said the municipal DoLISA. In the first stage, HCMC has aided VND576 billion to 365,300 non-contract laborers



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and supported over 52,000 furloughed workers with unpaid leave. In addition, it has assisted more than 5,800 suspended household businesses and 15,000 in 16,500 business households at traditional markets. Also, 102 enterprises have been eligible for a halt of payment of VND218 billion premiums to the retirement and survivor funds for 22,300 laborers. By far, the city has facilitated 44 companies to secure loans totaling VND75 billion to pay wages to over 9,600 employees and resume operations. It has supported over 6,000 tour guides with \$23 billion and 139 directors and actors with VND500 million. ([TBTCVN](#) Aug 11)

Quang Nam Guns for \$1.12B in Tourism Income by 2025

Quang Nam province has set a goal of earning VND26 trillion (\$1.12 billion) in tourism income by 2025. The province also aims for 12 million stay-over visitors and 23,000 tourism laborers by 2025. ([Phap Luat Plus](#), [Quang Nam](#) Aug 12)

1.4K Firms with 150K Workers in Binh Duong Adopt Factory Sleepovers

Nearly 1,400 enterprises in Binh Duong province currently set up on-site sleeping arrangements for their closely 150,000 workers, Head of the provincial Industrial Zones Authority Bui Minh Tri said. The province has administered 123,000 vaccine doses for workers of industrial parks-based businesses with factory sleepovers or shuttle services on one fixed route between accommodations and workplaces. ([BNews](#) Aug 10)

Remote Working Negatively Impacts White-Collar Workers in Vietnam: Survey

Remote working during social distancing negatively impacts white-collar workers, according to a survey of Adecco Vietnam. 53.7% of survey respondents noted that they feel more stressful in this outbreak, versus 2020. The main five reasons are safety amid the COVID-19 pandemic, long-term financial ability, career prospects and sustainable work, mental and physical health, and the high amount of information. Notably, 80% of survey respondents highly value mental health but 33% of firms offer zero mental health support. According to respondents, they expect support in job flexibility (41.7% of respondents), balance between work and life (41.4%), and mindfulness and therapy sessions (37.9%), and others. Besides, the most desirable supports for remote working are monthly pension, such as for electricity bills and telephone (56.6% of respondents); pensions for arrangement of workplaces at home (37.3%); flexible working hours (36.8%); online group activities (31.5%), and others. ([VnExpress](#) Aug 10)

COVID-19 Inflicts Closure of 4.9K Firms in Mekong Delta as of Jul

As of end-July, the COVID-19 pandemic caused shutdown of 4,985 enterprises in Vietnam's Mekong Delta region, according to VCCI Can Tho. While the pandemic forced 1,796 businesses to halt operations, the region reported 6,651 firms that were newly established or resumed operations. Dong Thap province has reported over 300 firms with suspended operations and 23,000 on-furlough workers, according to the provincial Labor Federation. In Can Tho city, there have been only 194 enterprises with 11,808 laborers out of total 1,090 businesses with 69,893



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employees sustaining their operations with the implementation of factory sleepovers, the municipal People's Committee said. Additionally, the operations of 896 companies with 58,085 workers have come to a standstill. ([NhanDan](#) Aug 17)

COVID-19 Makes 35.8K Workers in Hanoi Underemployed

The COVID-19 pandemic has by far made 7,237 workers in Hanoi lose jobs and 35,871 laborers underemployed, according to the municipal Labor Federation. By far, the plague has caused 330 firms to halt operations and affected 1,486 businesses citywide. The Hanoi Center of Employee Service (HCES) has drawn three scenarios of the city labor market in the time to come. In the most optimistic scenario, should Hanoi end social distancing measures soon and accelerate vaccination, around 3,000 or 4,000 workers may lose jobs each month with between 12% and 15% of businesses getting affected. In the second scenario, if the city continues social distancing order with possible risks of COVID-19 outbreak and moderate vaccination rate, it may witness between 5,000 and 6,000 unemployed workers and 20%-25% virus-hit enterprises monthly. In the worst scenario, with the pandemic has yet to be curtailed and slow vaccination speed, 7,000-8,000 employees may be pushed out of work with 30%-40% of companies affected each month. ([HanoiMoi](#), [CafeF](#) Aug 16)

Hau Giang Seeks to Add 120ha Industrial Zone to Master Plan

Hau Giang province has proposed adding the 120-hectare Dong Phu industrial zone (IZ) with a total investment of VND800 billion (\$34.48 million) to the master plan on industrial zone development. So far, the IZ has attracted three projects with a total registered capital of VND1.15 trillion. Two of which were put into operation and created jobs for 295 laborers. ([VietnamFinance](#) Aug 17)

Nearly 95% of Firms in Can Tho Pause Operations due to COVID-19

As of August 16, the fourth COVID-19 wave brought 1,032 in 1,090 enterprises, or 94.68%, in Vietnam's southern Can Tho city to a standstill, according to the municipal Department of Industry and Trade. By far, the city has had only 20 businesses located in industrial parks (IPs) in operation, accounting for 11.76% of total IPs-based establishments with their workers representing 5.7% of total laborers from IPs. There have been 41 companies outside IPs sustaining operations, making up 4.13% of those outside IPs with their workers accounting for 7.94% of the total employees of this kind. Of these, only four out of 38 production firms with over 100 laborers each have maintained operations, along with 34 in 882 below-100-staff businesses with total workers of 1,434. ([VietnamBiz](#) Aug 16)

Hanoi Industrial College Applies Learning, Living at Schools

Due to COVID-19 pandemic, Hanoi Industrial College is applying "3 On The Spot" model of learning, living, and eating at school. This model aims to handle issue that online learning can



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only fulfill 70% of the learning contents about theories and cannot fulfill the learning contents about practice. ([VTV](#) Aug 11)

645K Vietnamese Learners Enroll in Vocational Schools in H1

In the first six months of this year, vocational schools across Vietnam recruited 645,000 learners, equivalent to 27.2% of the year target due to negative impacts of COVID-19, according to DVET. Phu Yen province, in particular, now has 20 TVET establishments. It aims to generate jobs for 25,000 laborers throughout 2021 and boost the rate of trained workers to 72%, including 26% owning certificates. ([Phu Yen](#) Aug 16)

70K Vietnamese Workers Receive Nat'l Vocational Skills Assessments

Vietnam by far has had 49 centers of national vocational skills assessment, compiled 193 sets of national vocational skill standards, and designed a system of exam questions across 96 jobs. In addition, 70,000 laborers have received assessments of national vocational skills. ([GDNN](#) Aug 12)

Quang Ninh Needs to Employ over 16K Workers in 2021

Enterprises in northern province of Quang Ninh has a demand for employment of more than 16,000 workers during 2021 with those located in industrial parks seeking nearly 10,000 laborers. By 2025, businesses in the province may need to recruit over 100,000 workers with IPs-based companies likely looking for over 54,000 laborers. In 2016-2020, Quang Ninh spent nearly VND22 trillion (\$948.3 million) on education and training. It currently has approximately 800,000 workers with 85% of them identified as trained workers. The province has 42 TVET facilities, recruiting around 34,000-35,000 learners each year. ([Quang Ninh](#) Aug 12)

Phu Yen Provide Agro TVET to 1,190 People

Phu Yen province is assessing a project of agricultural TVET in 2021 and 2021-2025. In 2021-2025, Phu Yen provides agricultural TVET to 6,600 rural laborers and boosts rate of trained rural laborers to 80%. In 2021, Phu Yen provides agricultural TVET to 1,190 people and 80% of graduates have stable jobs and better incomes. ([Phu Yen](#) Aug 11)